

Maryland's utilities propose spending \$104 million on statewide electric-vehicle charging network



Utility companies and other stakeholders are proposing a \$104 million plan to install 24,000 charging stations across the state, in what would amount to the largest electric vehicle charging network outside California.



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Just over 10,000 Chevy Volts, Nissan Leafs, Teslas and other electric vehicles quietly plied Maryland's roads last year, but the state wants to expand that number to 300,000 by 2025.

To help the state achieve that ambitious goal and support the growing popularity of these plug-in electric vehicles, utility companies are proposing to spend \$104 million to support a statewide network of charging stations.

The program, supported by environmental groups and other stakeholders, would help build out a network of 24,000 residential, workplace and public charging stations, constituting the nation's largest except for California's. Utility customers would be asked to pay 25 cents to 42 cents more a month to support the program, currently a proposal pending before the state's Public Service Commission.

"We see this as an extension of the service we offer," said John Murach, Baltimore Gas & Electric Co.'s manager of energy efficiency programs. "We deliver energy to our customers; we'll be delivering the fuel for their vehicles."

This is not a build-it-and-they-will-come initiative, said one of the nation's top electric vehicle researchers.

"They will come anyway. They'll come before you build it," said Gil Tal, research director at the Institute of Transportation Studies' Plug-in Hybrid and Electric Vehicle Research Center at the University of California-Davis.

Sales of electric vehicles are growing rapidly, up 26 percent last year even as overall vehicle sales slipped 1.8 percent, and some see a looming tipping point where demand will accelerate even more.

But to fuel that growth, the cars need places to charge their batteries. Maryland is home to about 1,200 charging stations, most of them in the Baltimore region and Washington suburbs.

California, where electric vehicles have gained wide acceptance, already faces congestion at its charging stations, Tal said.

"We need way more than what we already have in the streets," Tal said. "If Maryland will start now, it will be a more balanced approach."

While the proposal would increase customers' monthly bills, BGE, Potomac Electric Power Co., Delmarva Power and Potomac Edison Co. said it would lower rates eventually by better using the state's power grids. For BGE customers, the proposal would add a monthly surcharge of 35 cents.

The comment period on the utilities' petition ends Tuesday and the commission could make a decision in the next few months.

The money would go toward subsidizing the installation of home, workplace and public charging stations.

BGE would spend more than \$48 million on its share of the network. Of that, \$17 million would be spent on 1,000 public, BGE-owned stations; \$7.5 million would subsidize the installation of 15,000 residential charging stations; and \$10.8 million would subsidize 2,125 workplace and multi-unit dwelling stations. The utility would spend another \$7.1 million on outreach, deployment and other costs.

Pepco would spend \$32.2 million, Potomac Energy would spend \$12.4 million, and Delmarva would spend \$11.9 million to build out the network in their respective service areas, according to the proposal.

The utilities combined to commit more than \$12 million of that spending to an "innovation fund," dedicated to placing nearly 500 stations in traditionally underserved areas.

If approved, the new charging stations could begin to be installed as soon as July, according to the petition. The expanded network would go up in about five years, said David Schatz, director of public policy for ChargePoint, a California-based company that would install the stations along with Greenlots, another California charging station firm.

"This is one of the first attempts we've seen across the nation for a statewide portfolio," Schatz said.

Not so fast, said Paula Carmody, the Maryland People's Counsel, who represents the state's 2 million-plus electric utility customers. While utilities obviously will play a role in any electric-vehicle network expansion, she said she wants the commission to further examine the proposed rate increases, any effects on the overall electrical grid and whether utilities should own charging stations.

"We think there needs to be a much fuller evidentiary proceeding by the commission to examine the details of these proposals, the so-called cost-benefit test and the ratepayer impacts," Carmody said.

The utilities discount such concerns.

Overburdening the electric grid is not expected to present a problem, especially since most electric car owners generally charge their vehicles overnight, when the least electricity use occurs, Murach said.

"There's capacity in the grid," he said. "We do not see an imminent concern."

A National Renewable Energy Lab study commissioned by BGE's sister company Pepco Holdings, which serves Washington and its Maryland suburbs, estimated that roughly 27,700 charging stations would be needed across the state to support 300,000 vehicles. The utilities expect to own fewer than a third of that number — a move intended to leave room for competition.

"That still leaves the remaining two-thirds to the competitive market," said Rob Stewart, Pepco's manager of the smart grid and technology group.

The proposal is supported by environmental groups including the Natural Resources Defense Council, the Sierra Club, the Chesapeake Climate Action Network and others.

"We're certainly very excited about the proposal and would hope the commission sees the value this brings to consumers, the environment and the grid," said Noah Garcia, a transportation analyst for the Natural Resources Defense Council.

The environment is the reason behind the state setting the ambitious 300,000 electric vehicle goal when it joined the eight-state Zero Emission Vehicle Task Force in 2013. Other states include California, Connecticut, Massachusetts, New York, Oregon, Rhode Island and Vermont.

Still, the proposal is not without its critics.

Samuel Jordan, president of Baltimore Transit Equity Coalition, said the expanded electric-vehicle network is "not the future for a car-less or car-reduced society" that his group hopes is on the horizon.

"We want fewer cars on the road, not more cars because they're electric," he said.

Equity is a chief concern. While the proposal makes allotments for underserved areas, most electric vehicle owners are affluent, and electric cars won't serve poor commuters the way the canceled \$2.9 billion Red Line subway would have, Jordan said.

"While it's attractive in the way it sounds and is being pitched, it is not in our estimation, a program that actually meets the documented needs for transportation options for the majority of people in the Baltimore region," Jordan said.

Despite its environmental focus, the proposal still involves subsidizing car travel over other more environmentally friendly means of transportation, said Liz Cornish, executive director of Bikemore, Baltimore's bicycle advocacy group.

"Are more electric vehicles better than regular cars?" Cornish asked. "Yes. But it's still more cars. Know what's better than more cars? Transportation that uses clean energy that is accessible to everyone."

Charlie Garlow doesn't think they're mutually exclusive. The 68-year-old Silver Spring resident owns The Green Commuter, a bicycle shop specializing in electric bikes, and drives a hybrid Chevy Volt.

"I think it's a great idea," he said. "Maryland is being so progressive."

Garlow is a member of the Electric Vehicle Association of Greater Washington, D.C., which began in 1980s as a group of people converting their gas-powered cars into electrics. It has evolved into a 100-member electric vehicle club and advocacy organization, said Ron Kaltenbaugh, the group's president.

Expanding the network of chargers won't just give current electric car owners more charging options, he said; it will help convince people that buying and driving them is feasible.

Kaltenbaugh acknowledged the criticism of public investment in electric-vehicle infrastructure as inequitable. But such investments will lower the cost of the technology as the cars become more widespread, he said.

He compared them to early cellphones, which weighed several pounds, lasted 20 minutes and cost \$5,000.

"No one would have predicted tens of millions would be sold every year," Kaltenbaugh said. "This is a process that'll bring those cars down to more affordability across the spectrum."

Plus, Kaltenbaugh said, the reduction in fossil fuel emissions offers a general health benefit to the public.

"It's good for everybody," he said, "even for those who aren't driving them."

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